
2017 FULL YEAR RESULTS

January – December 2017

*MEDIASET*españa.



Madrid – February 27th, 2018

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I. FINANCIAL AND OPERATING HIGHLIGHTS

mill. EUR	2017	2016	Var (M€)	Var (%)
Total net revenues	996,26	991,98	4,27	0,4%
Total operating costs	734,01	750,84	(16,83)	(2,2%)
EBITDA Adj. ⁽¹⁾	262,25	241,14	21,11	8,8%
EBITDA margin	26,3%	24,3%		
EBIT	245,34	224,44	20,90	9,3%
EBIT margin	24,6%	22,6%		
NET PROFIT	197,50	171,00	26,50	15,5%
EPS ⁽²⁾	0,60	0,51		
Net cash position	135,30	177,45	(42,15)	
Free Cash - Flow	229,28	242,50	(13,22)	

(1) EBITDA Adj. includes TV rights consumption

(2) Excluding treasury shares at 31st December

In 2017 Mediaset España registered an **adjusted EBITDA of €262.2 million**, and **EBIT of €245.3 million**, which is an **increase of 8.8% and 9.3% respectively**, compared to 2016.

- **Total net revenues** amount to **€996.3 million**, with **net advertising revenues of €928.7 million** and "Other revenues" of **€67.6 million**.
- **Infoadex** reported that the **television advertising market for 2017 has grown by 1.0%**, whilst the **conventional advertising market** has increased by **2.3%**. **Mediaset España** as per **Infoadex** figures, leads with a market share of **43.3%**.
- **Mediaset España's EBITDA margin** for 2017 stands at **26.3%** (24.3% in 2016) whilst the **EBIT margin reaches 24.6%** (22.6% in 2016), these are **2.0pp greater** than in **2016** for both variables.
- **Net profit** amounts to **€197.5 million**, this **15.5% better** than 2016 (€171.0 million), representing an **earning per share of €0.60** (excluding treasury stock at 31/12/2017).
- **Mediaset España's net cash position**, as at **31st December 2017**, is **€135.3 million**, this is **after the payment of the dividend (€175.7 million)** and **share buy-back program of €100.0 million** in 2017. **Free cash flow generation** in 2017 is **€229.3 million**.
- **Mediaset España** paid both an ordinary and extraordinary dividend on May 9th 2017, a **total of €0.52 per share** and a total amount of **€175.7 million**.
- The **total treasury shares** acquired in 2017 were **9.282.275** for a total amount **€100.0 million**, representing **2.76%** of the share capital.
- **Mediaset España Group** audience share at the end **2017**, in **24 hours total individuals** is **28.7%** with a **30.4% commercial target**.
- In 2017, **Mediaset España** registered a **monthly average of 11.5 million unique multiplatform users**, **178 million page views** and **76.9 million videos streamed** (Source: ComScore, Video Pc Only).

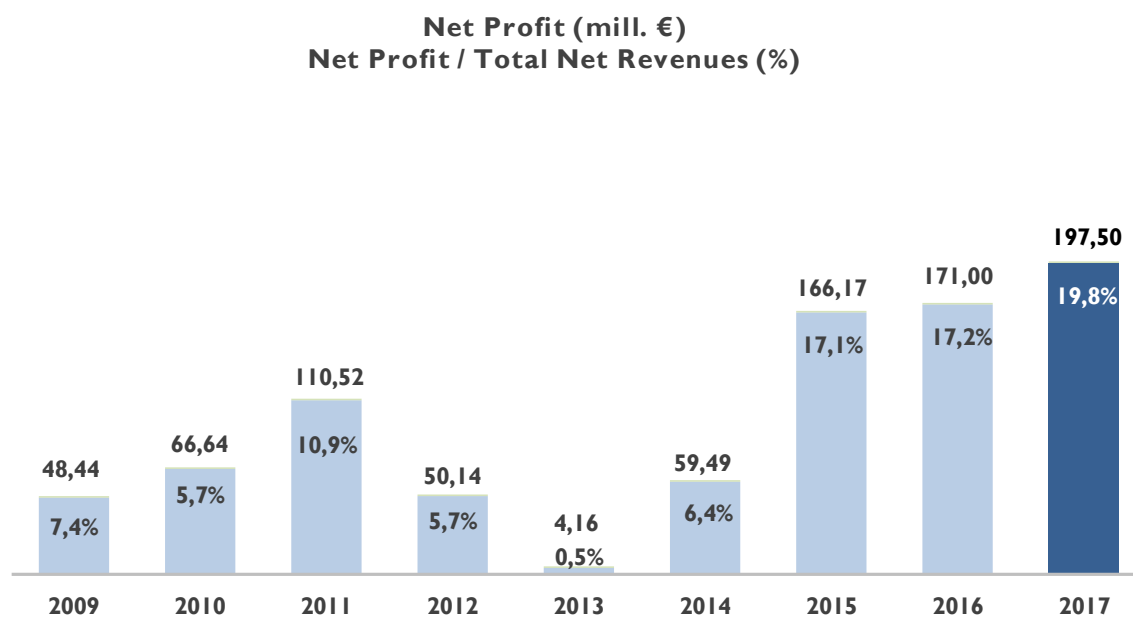
2. PROFIT AND LOSS ACCOUNT

Table 1: Consolidated Profit and Loss Account

mill. EUR	2017	2016	Var (M€)	Var (%)
Net advertising revenues	928,69	926,92	1,78	0,2%
Other revenues	67,56	65,07	2,49	3,8%
Total Net Revenues	996,26	991,98	4,27	0,4%
Rights Amortisation	(186,85)	(205,45)	18,61	(9,1%)
Personnel	(105,65)	(105,87)	0,23	(0,2%)
Other operating costs	(441,51)	(439,51)	(2,00)	0,5%
Total Costs	(734,01)	(750,84)	16,83	(2,2%)
EBITDA	262,25	241,14	21,11	8,8%
EBITDA Margin	26,3%	24,3%		
Other amortisations, provisions	(8,91)	(8,71)	(0,20)	2,3%
Amortisation PPA	(8,00)	(8,00)	0,00	0,0%
EBIT	245,34	224,44	20,90	9,3%
EBIT Margin	24,6%	22,6%		
Equity Cons. Results and Depr. Fin. Assets	3,29	1,49	1,80	-
Financial results	(1,22)	(0,11)	(1,12)	-
Pre-tax Profit	247,41	225,82	21,59	9,6%
Income taxes	(50,06)	(55,09)	5,03	(9,1%)
Minority interests	0,15	0,27	(0,12)	-
Net Profit	197,50	171,00	26,50	15,5%
Net Profit Margin	19,8%	17,2%		
EPS (excluding treasury shares)	0,60	0,51		

Net Profit for 2017 is **€197.50 million**, which is an **increase of 15.5%** (€26.50 million) compared to 2016 (€171.00 million). This represents an **earnings per share** of **€0.60** (excluding treasury shares), which is an **increase of 18.8%** in comparison with the same period last year (€0.51/per share).

Mediaset España's 2017 net profit has increased more than fourfold (**4.1x**) since **2009** (€48.44 million) and improved margins by **+12.4pp** since that year.



2.1 REVENUES

Infoadex reports that the total conventional advertising market in 2017 stands at **€5,355.9 million**, this is an increase of 2.3% (€121.2 million) compared to 2016 (€5,234.7 million). The **TV advertising market** has grown, in 2017, by 1.0% (€21.4 million) to **€2,143.3 million**. TV stands out as the most relevant conventional advertising media with a **40.0%** share over the total conventional advertising expenditure.

In terms of market share, Infoadex estimates that in 2017 Mediaset España had a **TV market share of 43.3%**, the same market share as the previous year in spite of having a difficult comparison due to the Euro2016. Mediaset España's market share represents an advantage of 1.9pp, this is **€40.00 million**, compared to its nearest competitor (41.4%), being the greatest advantage achieved by Mediaset España in odd numbered years (without sports events) since 2007.

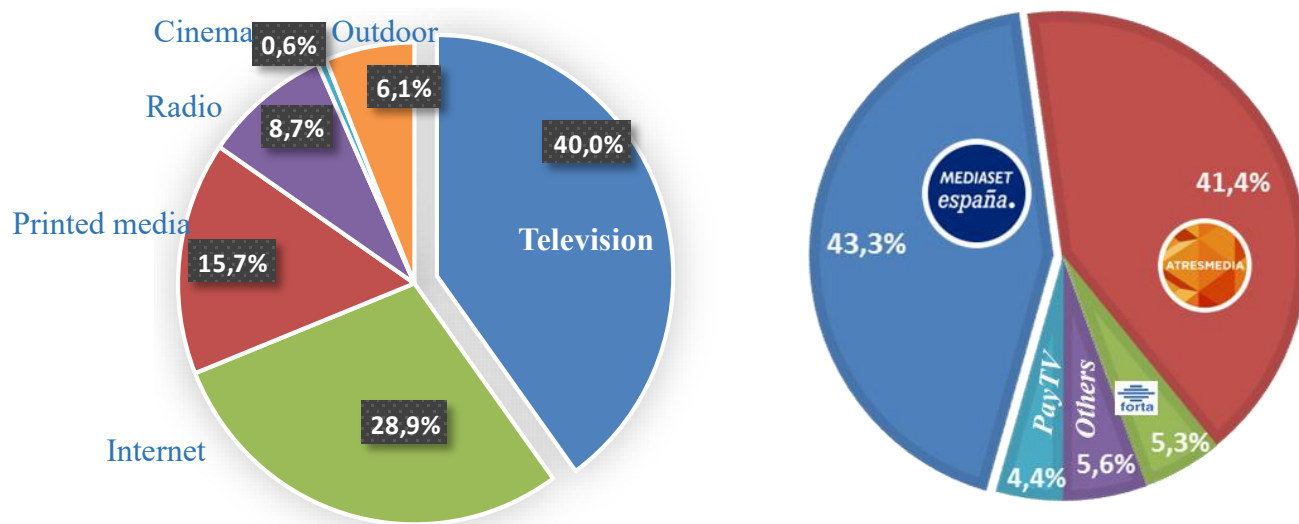


Table 2: Revenues

mill. EUR	2017	2016	Var (M€)	Var (%)
Gross Advertising Revenues	969,67	962,93	6,73	0,7%
Mediaset España's Media	946,38	931,24	15,14	1,6%
Third Party Media	23,29	31,70	(8,41)	(26,5%)
Commission	(40,97)	(36,02)	(4,95)	13,8%
Net Advertising Revenues	928,69	926,92	1,78	0,2%
Other Revenues	67,56	65,07	2,49	3,8%
Total Net Revenues	996,26	991,98	4,27	0,4%

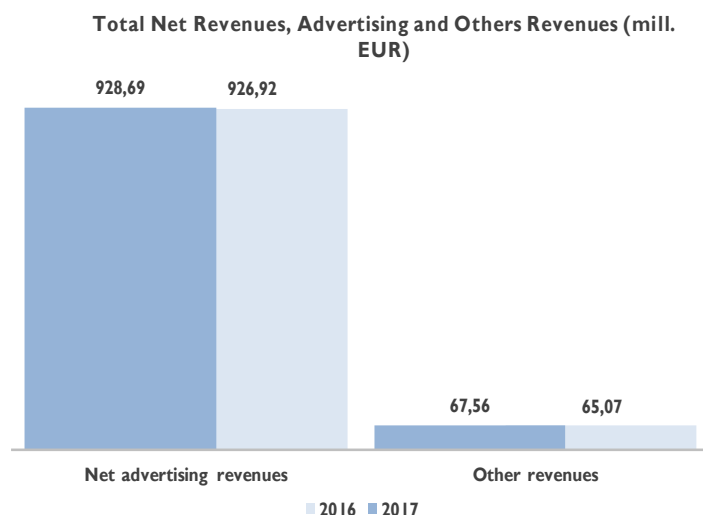
Total gross advertising revenues in 2017 amount to **€969.67 million**, +0.7% compared to 2016 (€962.93 million). A breakdown of which is as follows:

- The Gross Advertising Revenues of Mediaset España's Media** include advertising revenues from, internet, teletext and the Group's 7 channels: **TELECINCO, CUATRO, FACTORIA DE FICCION, BOING, DIVINITY, ENERGY and BE MAD**. This revenue line amounts to **€946.38 million** in 2017, which is an increase of 1.6%, (€15.14 million more) compared to the same period 2016 (€931.24 million). This is an outstanding record for Mediaset España which, in 2017, not only consolidated the revenues obtained in the Euro2016 last year, but also managed to outperform the 2017 TV advertising market.

In the fourth quarter 2017, Mediaset España's media revenues amount to €271.80, compared to €261.23 million from 2016. **This is an increase of 4.0%**, (€10.57 million), an **excellent result** for the last quarter of the year, taking into account that the **advertising market grew by 1.4%** in this period.

- **The Gross third party media revenues**, include the advertising sales for a **regional free-TV, various pay-tv channels, internet and e-Walls**, and since September 2017, the **advertising commercialization of the free tv channel Gol**. In **2017** sales amounted to **€23.29 million**, this compares to the **€31.70 million** from 2016. The **difference is due** to the termination of some of the free and pay TV channels contracts.

In the **last quarter 2017**, this revenue line was **€8.64 million** compared to the **€8.75 million** from last year (-1.3%).



Net advertising revenues, which are the **gross revenues net of commission**, reach **€928.69 million** in 2017, compared to **€926.92 million** in 2016.

The **other revenues** line includes revenues from the **Internet, sale of rights and movie activities** amongst others. In **2017**, these revenues increased by +3.8% to **€67.56 million**, in comparison with the **€65.07 million for the same period 2016**. Among others, this result is **due to the good performance of Mediaset España's cinema releases** in the year.

Mediaset España released four movies in 2017: **“Es por tu bien”** released in **February**, made €9.5 million at the box office, **“Tadeo Jones 2”** released in **August** with €17.9 million at the box office, **“El secreto de Marrowbone”** released in October made €7.3 million at the box office and **“Perfectos Desconocidos”** released in December, €13.0 million at the box office (up until 31st December 2017).

These **four movies released** in the year obtained an impressive **47.7% share of the 2017 Spanish movie market**, **this is an increase of almost +6pp** compared to 2016 (42.8%) and achieved a total of **8 million viewers**. **Mediaset España's** four movie releases are also, the **four most watched Spanish movies in 2017**.

Total net revenues 2017 amount to **€996.26 million** compared to **€991.98 million** for 2016.

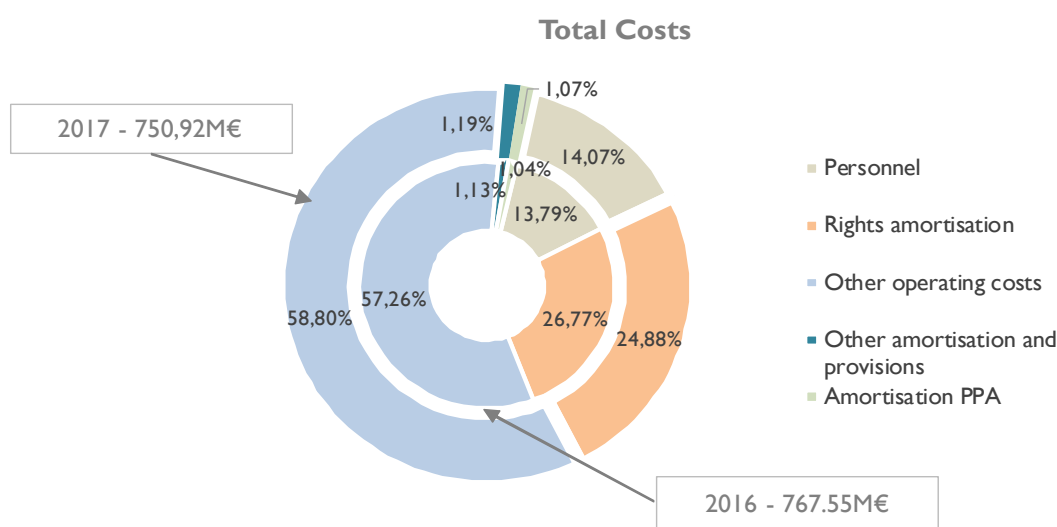
2.2 OPERATING COST

Total operating costs for **2017** reached **€734.01 million**, this is a saving of **€16.83 million** a **2.2% reduction** compared to the same period 2016 (€750.84 million). These savings come from various areas but **especially in relation to the programming grid**, due to the comparison with last year, where we broadcasted **23 EURO CUP 2016** matches.

However, **Mediaset España** presented a **strong programming grid** in the **fourth quarter 2017** to take advantage of the good performance of the television advertising market in that period. This allowed the company to **gain market share** and increase its margins. **Mediaset España's** business model proves its **great flexibility** again, allowing the company to make adjustments when needed, if **audiences** and **market conditions** change, as well as **implement a strict cost control policy when necessary**.

Table 3: Operating costs

mill. EUR	2017	2016	Var (M€)	Var (%)
Personnel costs	105,65	105,87	(0,23)	(0,2%)
Rights amortisation	186,85	205,45	(18,61)	(9,1%)
Other operating costs	441,51	439,51	2,00	0,5%
Total Operating Costs	734,01	750,84	(16,83)	(2,2%)
Other amortisation and provisions	8,91	8,71	0,20	2,3%
Amortisation PPA	8,00	8,00	0,00	0,0%
TOTAL COSTS	750,92	767,55	(16,63)	(2,2%)



Mediaset España's cost base (operating costs + D&A & Provisions) in 2017 add to **€742.92 million**, which is **23.4% lower** than the same period 2010 (€969.44 million). This implies **savings of €226.52 million** despite operating two more channels than in 2010.

mill. €	2010*	2011	2012	2013	2014	2015	2016	2017	Var.
Operating Costs + D&A	969,44	824,12	829,93	748,65	779,33	758,75	759,55	742,92	-23,4%

* Pro-forma consolidated P&L accounts under IFRS of Mediaset España's Group and Sogecuatro's Group

Content

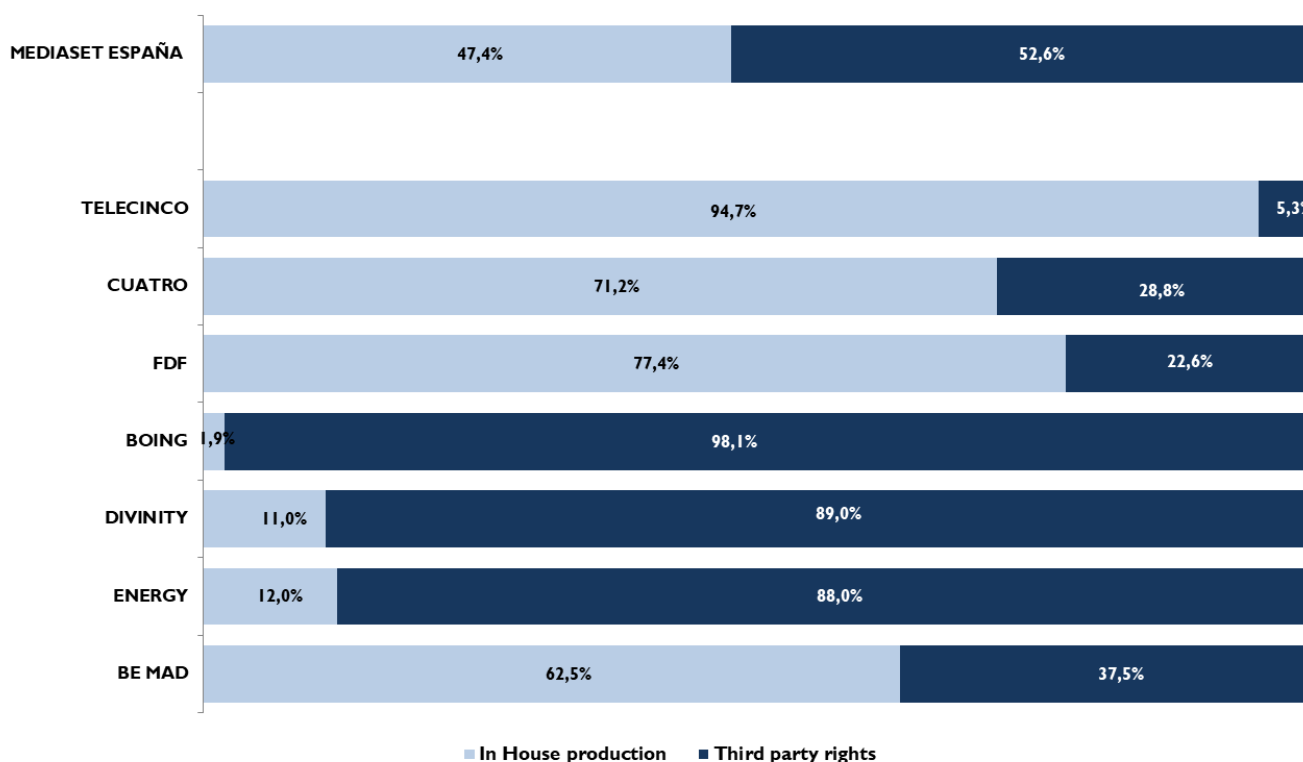
Mediaset España operates 7 channels: **Telecinco**, **Cuatro**, **Factoría De Ficción**, **Boing**, **Divinity**, **Energy** and **Be Mad**.

In 2017, the **Mediaset España Group** devoted **47.4%** of the broadcasted hours to **in-house production**, and **52.6%** to **third party rights**. This is an increase of **+4.4pp** in **In-house-production** compared to 2016 (**43.0%**) mainly due to the change in the mix of **Be Mad** and **Cuatro** channels. Taking into account the **average weighted audience**, the **in-house production** for the **Mediaset Group** would represent **71.1%** of the broadcasted hours whilst **28.9%** would be third party.

In 2017 the **TELECINCO** channel dedicated **94.7%** of its broadcasted hours to **in-house production** whilst **5.3%** was allocated to **third party rights**. This is in line with the **previous year's mix** of **92.9%** of **in-house production** and **7.1%** of **third party rights** in 2016.

CUATRO allocated **71.2%** of its broadcasting hours to **in-house production**, which is a significant increase, **+12.3pp** compared to last year (**58.9%**) whilst **28.8%** of the broadcasted hours in the period was **third party rights**, (**41.1%** vs in 2016).

Telecinco and **Cuatro** channels, combined, have **83.4%** of their **broadcasted hours devoted to in-house production**, versus **16.6%** of **third party rights**. This compares to the combined **76.6%** of **in-house production** from last year, an increase of **+6.7pp** in 2017 with respect to 2016.



The rest of the channels have the following allocation: **FACTORIA DE FICCION**, dedicated **77.4%** of its broadcasted hours to **in-house production** compared to **22.6%** of **third party rights**, **BOING** designates the majority of its broadcasted hours, **98.1%**, to **third party rights**, **DIVINITY** has **11.0%** **in-house production** whilst **third party production** amounts to **89.0%**. **ENERGY** has **12.0%** **in house production** and **88.0%** of **third party**, **BE MAD** allocated **62.5%** of its broadcasted hours to **in-house production** and **37.5%** to **third party rights**.

2.3 OPERATING PROFIT AND MARGINS

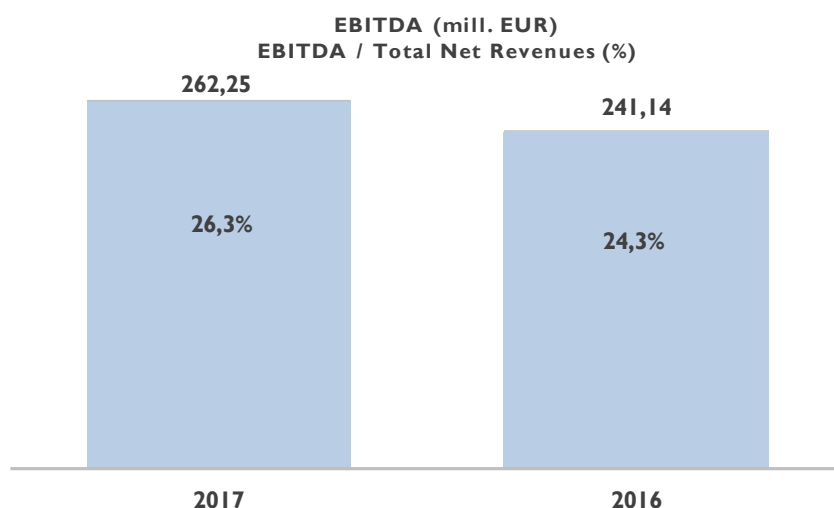
Mediaset España's gross operating profit, **adjusted EBITDA**, amounts to a total of **€262.25 million** in **2017**, which is an increase of **€21.11 million, +8.8%** compared to 2016 (€241.14 million). In this period **Mediaset España** has achieved an **adjusted EBITDA** margin over **total net revenues** of **26.3%**, which is an increase of **+2.0pp** compared to 2016 (24.3%).

Mediaset España improves its **EBITDA (€262.25 million) two fold** since **2009 (€130.38 million)** and registers its best **EBITDA** margin (26.3%) since the aforementioned year (19.9% in 2009).

Net operating profit (EBIT) reaches a total of **€245.34 million**, an increase of **9.3% (€20.90 million)** compared to 2016 (€224.44 million), and a margin of **24.6% over 2017 total net revenues, +2.0pp** better than 2016 (22.6%).

Table 4: Margins

mill. EUR	2017	2016	Var (M€)	Var (%)
Total net revenues	996,26	991,98	4,27	0,4%
EBITDA	262,25	241,14	21,11	8,8%
EBITDA Margin	26,3%	24,3%		
EBIT	245,34	224,44	20,90	9,3%
EBIT Margin	24,6%	22,6%		



mill. EUR	2017	2016	Var (M€)	Var (%)
EBIT	245,34	224,44	20,90	9,3%
Equity Cons. Results and Depr. Fin. Assets	3,29	1,49	1,80	-
Financial results	(1,22)	(0,11)	(1,12)	-
Pre-tax Profit	247,41	225,82	21,59	9,6%
Income taxes	(50,06)	(55,09)	5,03	(9,1%)
Minority interests	0,15	0,27	(0,12)	-
Net Profit	197,50	171,00	26,50	15,5%
Net Profit Margin	19,8%	17,2%		

2.4 FINANCIAL RESULT AND EQUITY CONSOLIDATED COMPANIES

The **equity consolidated companies**¹ line for **2017** shows a **€3.29 million gain**, compared to **€1.49 million gain** from the same period last year, this is an increase of **€1.80 million**.

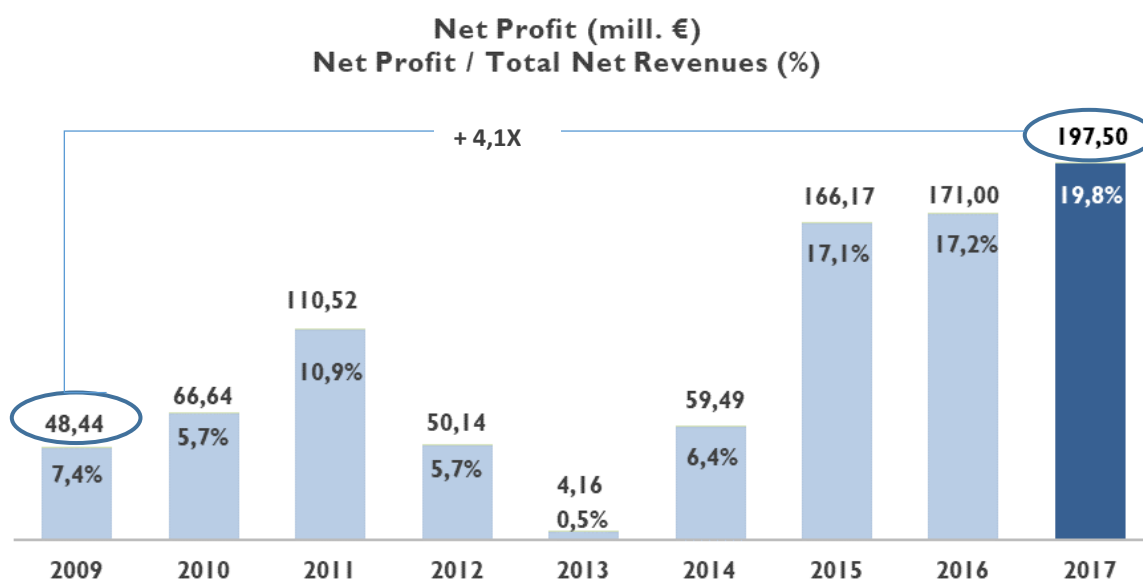
Financial results for 2017 represent a **net expense of €1.22 million**.

2.5 PROFIT FOR 2017

Pre-tax profit for 2017 is **€247.41 million** compared to **€225.82 million** in 2016, an increase of **€21.59 million (+9.6%)**.

2017 Net Profit, after taxes, was **€197.50 million** compared to the **€171.00 Net Profit** in the same period 2016, **€26.50 million higher**, representing an **increase of 15.5%**.

Mediaset España's net profit margin, in 2017, **risers to 19.8%**, an increase of **2.6pp** compared to the same period 2016 (17.2%). Since 2009, **Mediaset España** has managed to **increase its net profit margin by 12.4pp** since its 2009 (7.4% net profit margin).



¹ Companies consolidated by the equity method are: Pegaso Television Inc. (43.7%), A.I.E. (Furia de titanes 2) (34.0% indirect shareholding), Supersport TV, S.L. (30.0%), Producciones Mandarina S.L. (30.0%), La Fábrica de la Tele S.L. (30.0%), Megamedia TV, S.L. (30.0% indirect shareholding), Aunia S.L. (50.0% indirect shareholding), Alea Media S.A. (40%), Melodía Producciones S.L. (40.0%) and Adtech Ventures S.P.A. (50.0% indirect shareholding).

3. CASH FLOW GENERATION

The **operating free cash flow** for **2017** is **€229.28 million**, compared to **€242.50 million** for the same period 2016.

Mediaset España's net **cash position** at the end of 2017 is **€135.30 million**, compared to the **€177.45 million** from 2016. This is **after €275.72 million shareholder remuneration** in the period, (**€100.00 million** shares buyback program and **€175.72 million of dividend payment**).

Mediaset España paid dividends against its 2016 results and reserves on **May 9th**, a total amount of **€175.72 million**, a **103% pay out**, showing once again, its **priority to give back to its shareholders**. **2017** earnings per share add up to **€0.60** (excluding treasury shares).

As part of its **shareholders** remuneration, **Mediaset España** completed its **share buyback** on August 21st, such program was approved by the Board of Directors in February and ratified by the AGM in April 2017. The buyback program **started on May 17th** and involved a total investment of **€100.00 million** and the acquisition of **9,282,275 shares**, which represents **2.76% of the share capital of the company**.

Table 5: Cash-Flow

mill. EUR	2017	2016	Var (M€)
Net profit (without minority interests)	197,35	170,73	26,62
Amortisation:	205,51	223,38	(17,87)
Rights	186,85	205,45	(18,61)
Other	18,66	17,92	0,74
Provisions	(1,75)	(6,17)	4,42
Other	23,04	18,12	4,92
OPERATING CASH FLOW	424,15	406,06	18,09
Investment in rights	(173,20)	(176,95)	3,76
Investments, other	(14,24)	(14,57)	0,33
Change in working capital	(7,43)	27,97	(35,39)
OPERATING FREE CASH FLOW	229,28	242,50	(13,22)
Own stock purchase	(100,50)	(91,40)	(9,10)
Change in Equity	(4,34)	1,46	(5,80)
Financial investments/disinvestments	6,78	(2,69)	9,47
Dividends received	2,34	2,57	(0,22)
Dividend payments	(175,72)	(167,40)	(8,32)
Net Cash Change	(42,15)	(14,96)	(27,19)
INITIAL FINANCIAL POSITION	177,45	192,41	(14,96)
FINAL FINANCIAL POSITION	135,30	177,45	(42,15)

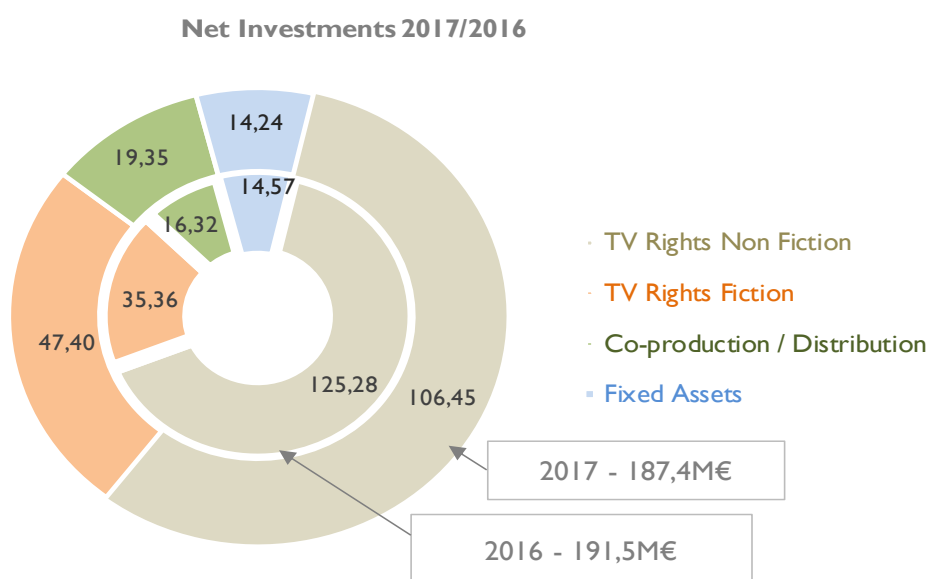
Mediaset España's cash conversion rate equals **87.4%: free cash flow** (€229.28 million) and **EBITDA** (€262.25 million), a good **conversion** of the **gross operating profit (EBITDA)** into cash, proving that Mediaset España continues being **highly cash generative** business.

Mediaset España's remuneration paid to its shareholders since the company's listing up to **December 31th 2017**, by way of dividends, amounts to **€1,939.58 million**, whilst the shareholders remuneration **through the buyback program** has been, **€737.49 million**. The **combined remuneration paid to shareholders** totals **€2,677.07 million**.

4. CAPEX

Total net investment 2017 reached €187.43 million, compared €191.52 million, from the same period last year. During 2017, Mediaset España invested a total of €106.45 million in third party rights, €47.40 million in local fiction, and €19.35 million in co-production/distribution whilst investment in tangible and intangible assets was €14.24 million.

In 2017, Mediaset España has increased its investments in TV rights fiction and coproduction by €15.07 million whilst it reduced its TV rights non fiction in the same period by €18.83 million.



5. BALANCE SHEET

Table 6: Summary Balance Sheet

mill. EUR	December 2017	December 2016
Tangible assets	569,40	580,92
Financial	314,67	321,06
Non Financial	254,73	259,86
Audiovisual rights and Pre-payments	156,39	171,90
Third parties	106,41	132,45
Fiction	27,00	20,58
Co-production / Distribution	22,99	18,87
Pre-paid taxes	100,98	112,95
TOTAL NON-CURRENT ASSETS	826,77	865,77
Current assets	272,29	243,67
Financial investments and cash	135,93	193,26
TOTAL CURRENT ASSETS	408,23	436,93
TOTAL ASSETS	1.235,00	1.302,70
Shareholders' equity	900,08	983,29
Non-current provisions	13,43	9,15
Non-current payables	19,00	11,84
Non-current financial liabilities	0,01	13,66
TOTAL NON-CURRENT LIABILITIES	32,44	34,66
Current payables	301,85	282,59
Current financial liabilities	0,64	2,16
TOTAL CURRENT LIABILITIES	302,48	284,75
TOTAL LIABILITIES	1.235,00	1.302,70

Mediaset España has a strong balance sheet with an **adequate mix of current assets and current liabilities**, as shown by its liquidity ratio of **1.35x**.

Mediaset España's focus is on **costs** and **liquidity** as well as keeping a **flexible balance** to gain in efficiencies that translate into optimal results.

The **Shareholder Equity** reduction of **€83.21 million** in the period is due to the dividend payment of **€175.72 million**, on May the 9th, and the **purchase of €100.00 million in treasury shares** carried out in 2017.

6. AUDIENCE SHARE PERFORMANCE²

6.1 TV CONSUMPTION

2017 Daily average TV Consumption (minutes)

Years	Linear	Non linear*	Total TV consumption	Viewers ('000)
2000	210		210	5.642
2001	208		208	5.664
2002	211		211	5.759
2003	213		213	5.830
2004	218		218	6.170
2005	217		217	6.210
2006	217		217	6.275
2007	223		223	6.506
2008	227		227	6.691
2009	226		226	6.848
2010	234		234	7.149
2011	239		239	7.319
2012	246		246	7.513
2013	244		244	7.401
2014	239		239	7.366
2015	234	3	237	7.249
2016	230	3	233	7.111
2017	225	4	229	6.954

The daily average **TV consumption**, linear TV and non-linear TV, during **2017** is **229 minutes**, this is **three hours and forty nine minutes per person/ per day**.

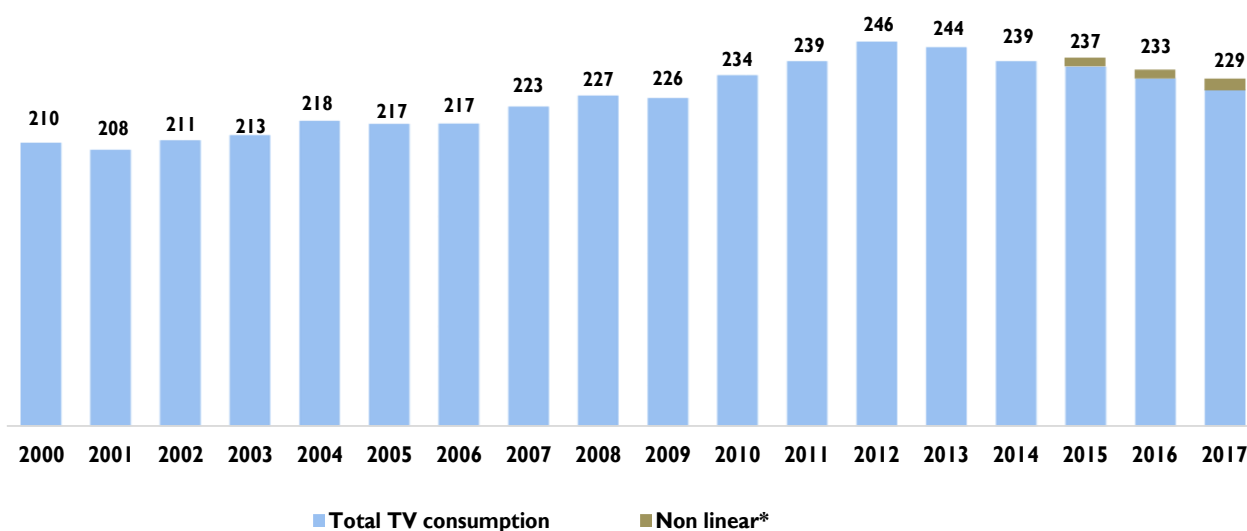
The **Linear TV** consumption, **225 minutes per person per day**, and represents **98.3 % of the total daily average TV consumption**. The average amount of **daily TV viewers stands at 6.9 million people in the period**.

Since **March 2017**, **Kantar Media** measures the TV consumption of “**guests**” (friends, family etc. visiting homes). The **TV consumption increases**, including guests, by **4.9%** in 2017, this implies **11 minutes** of additional TV consumption in that period. The **TV guest consumption is higher** within the youngest targets. The figures on the left **do not include** guest TV consumption

Non-linear* consumption for the first nine months 2017 is **4 minutes per person/per day**, and represents a **1.7%** of the **total daily average TV consumption**.

* Non Linear TV Consumption is the TV consumption within 7 days following the first broadcast.

2017 TV Audiovisual Consumption (minutes)



² Source: Kantar Media

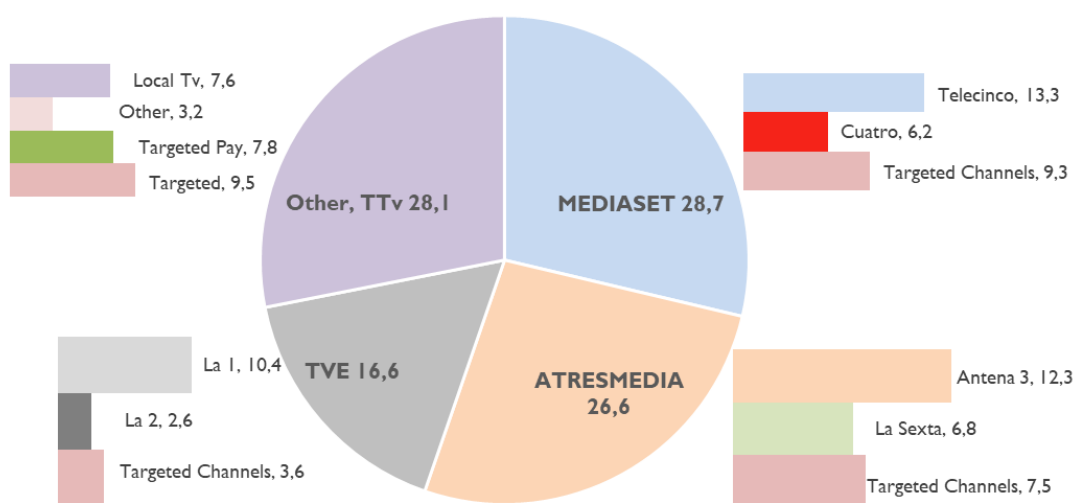
6.2 GROUP AUDIENCES³

In **2017** the main TVs Group audience shares, in total day, were: **Mediaset España 28.7%**, **Atresmedia 26.6%** and **TVE 16.6%**. The rest of the groups, obtained a **28.1%** audience share, within this group the **Pay Tv** channels had a **7.8** audience share.

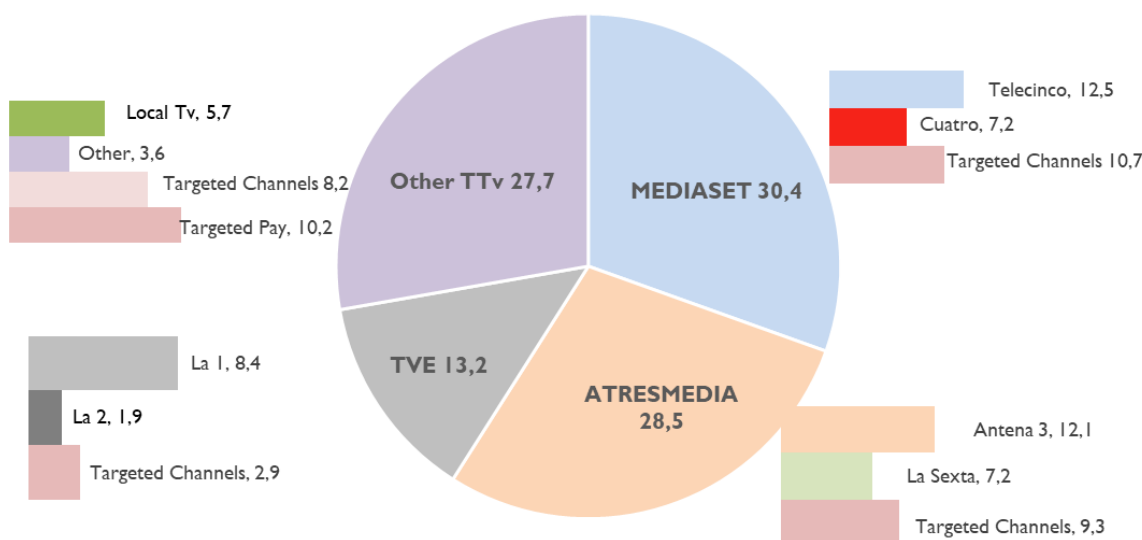
Mediaset España is the **most watched television Group in 2017** leading audiences for the last seven consecutive years.

In **Commercial target** **Mediaset España 30.4%**, **Atresmedia 28.5%** and **TVE 13.2%**. The **rest of the groups**, added a total day audience of **27.7%**.

2017 AUDIENCE SHARES (total day)



2017 COMMERCIAL TARGETS (%) (total day)



³ Prime Time: time slot between 20:30h and 24:00 h.

(*) Commercial target: individuals 16-59 years old in populations above 10.000 habitants of all socioeconomic groups except group E2 (the lowest purchase power group). The commercial target represents 20.6 million people

Table 7: 2017 average audience share for Mediaset España

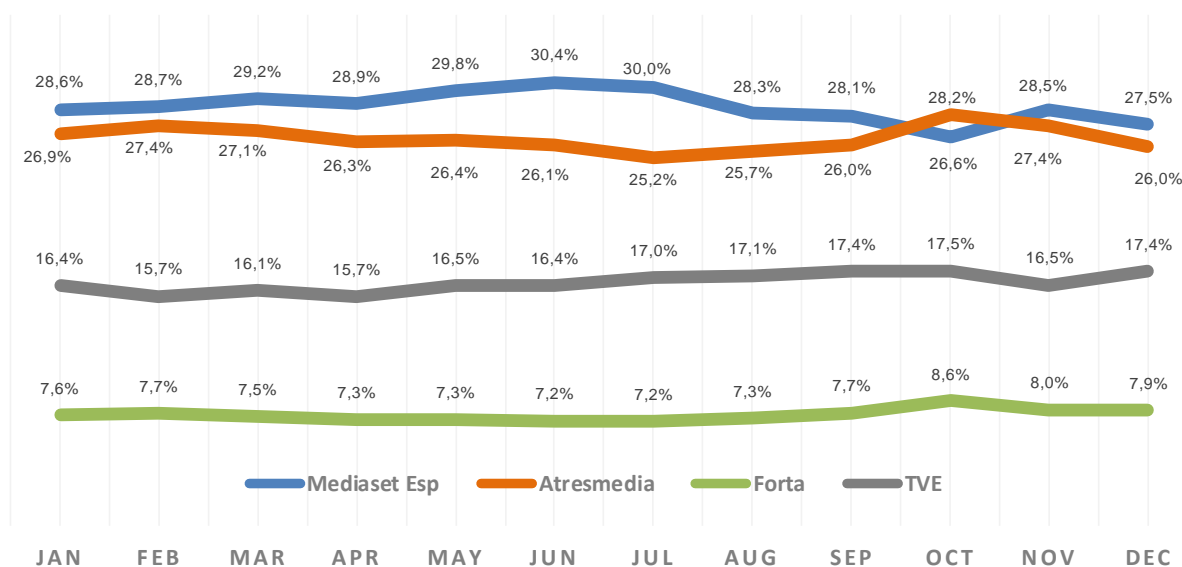
	2017	2016
Total Individuals		
Total Day	28,7%	30,2%
PRIME TIME	28,5%	30,1%
DAY TIME	28,8%	30,2%
Commercial Target		
Total Day	30,4%	31,5%
PRIME TIME	29,5%	30,9%
DAY TIME	30,9%	31,8%

Mediaset España leads 2017 audiences, in total individuals total day, with a share of 28.7%, this is an advantage of 2.1 pp compared to its nearest competitor. It is also the **preferred communication group** for young people **aged 13 to 24, also leading for seven years in a row**, where it achieves an outstanding **35.1% audience share** this is **7.3pp ahead of its nearest competitor**.

In terms of **Commercial target, Mediaset España** also leads with an **outstanding 30.4%** which is an excellent record taking into account the difficult comp with last year due to the **Euro2016. Mediaset España** has widened its advantage **in commercial target in 2017 to 1.9 pp** against its nearest competitor (this compares to the 1.7pp advantage in 2016).

Mediaset España also leads in most targets with a special advantage in **children and young people aged 13-24 (35.1%) (+7.3pp)** and **25-34 (32.3%), with an advantage of (+7.3pp) and (+2.8pp)** respectively, against its nearest competitor.

Audience Share, 24 Hours, Total Individuals in % per Groups



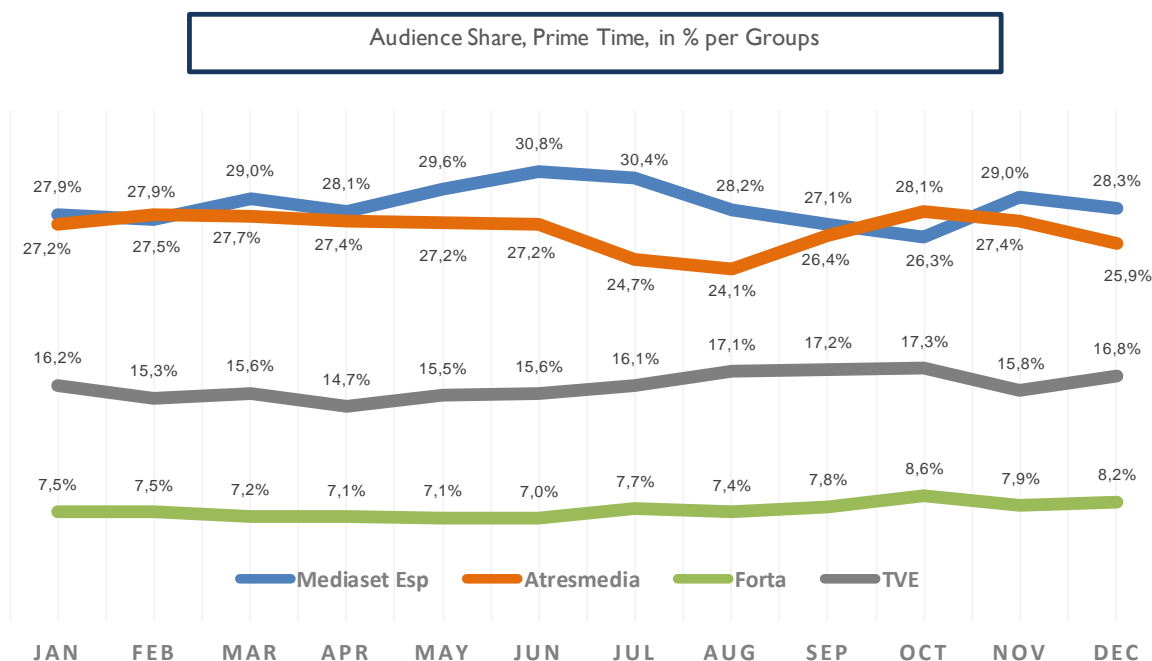
As well as the **solid offer of in house contents and third party rights**, some of the sports rights broadcasted in **2017** by the **Mediaset España** Group were, in **football: The King' Cup Final with 5.5 million viewers and 36,2% audience share, friendly national team matches with an average of 4.5 million viewers and 27.7% share.** Also the Spanish **Super Cup on August, 13th and 16th**, with Real Madrid-FC Barcelona, achieved an outstanding **48.3% share and 6.5 million viewers.**

In the European basketball competition, **Eurobasket 2017**, achieved a **14.7% audience share and 1.7 million viewers.**

In tennis Roland Garros, the final between **Rafa Nadal vs Stan Wawrinka** achieved a **26.5% audience share** and **3.5 million viewers**.

In **Prime Time**³ total individuals, **Mediaset España** obtained in 2017 an **audience share of 28.5%** surpassing its nearest competitor by **+1.6pp** and **leading for the fourth year in a row**.

Mediaset España Prime Time Commercial Target target* registers **29.5%** in 2017.



6.3 MAIN CHANNELS AUDIENCE

Table 8: 2017 average audience share for Telecinco

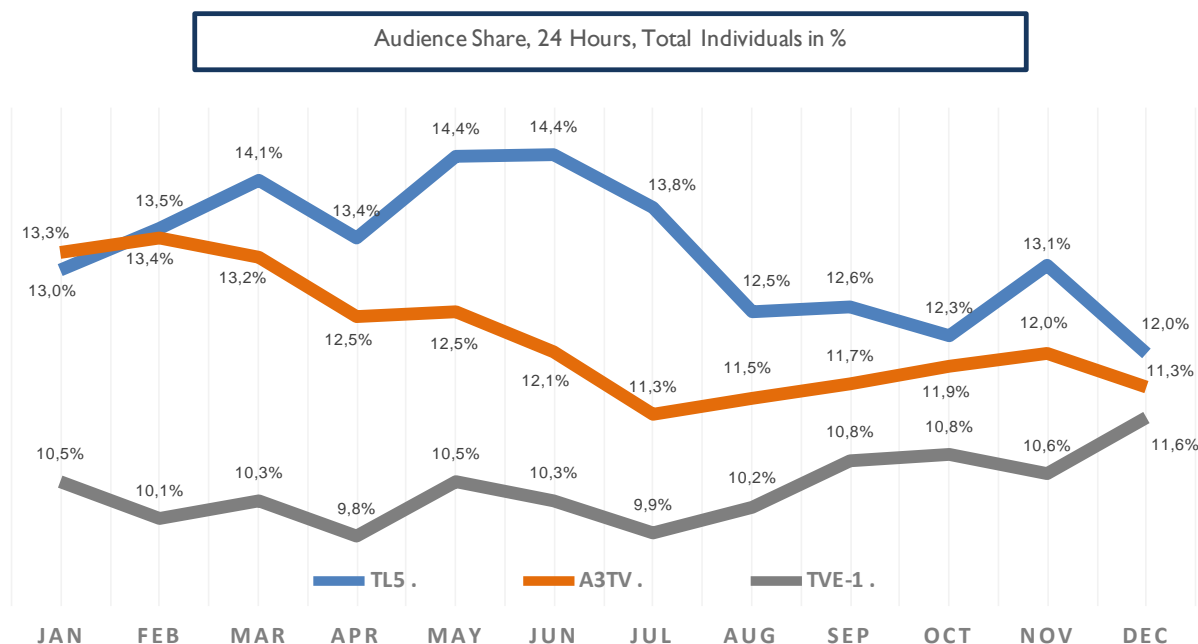
	2017	2016
Total Individuals		
Total Day	13,3%	14,4%
PRIME TIME	13,5%	15,4%
DAY TIME	13,2%	14,0%
Commercial Target *		
Total Day	12,5%	13,6%
PRIME TIME	12,2%	14,2%
DAY TIME	12,6%	13,4%

Telecinco is the leading channel in 2017 with an **audience share in total day of 13.3%** this is **+1.0pp** ahead of its nearest competitor and **registers 18 years of leadership amongst** the commercial television. The **Telecinco** channel leads audiences in **almost all targets**, except kids, obtaining its **best records in young people aged 13-24**, with a share of **12.3%** and in the group **25-34 year olds** with a **13.0%**. This compares to the **11.6%** and **11.2%** audience share obtained by its main competitor in the **aforementioned targets**. The **Telecinco** channel has led audiences **11 out of the 12 months of 2017**, also **5 out of the 7 days** of the week: Tuesday to Thursday, Saturday and Sunday.

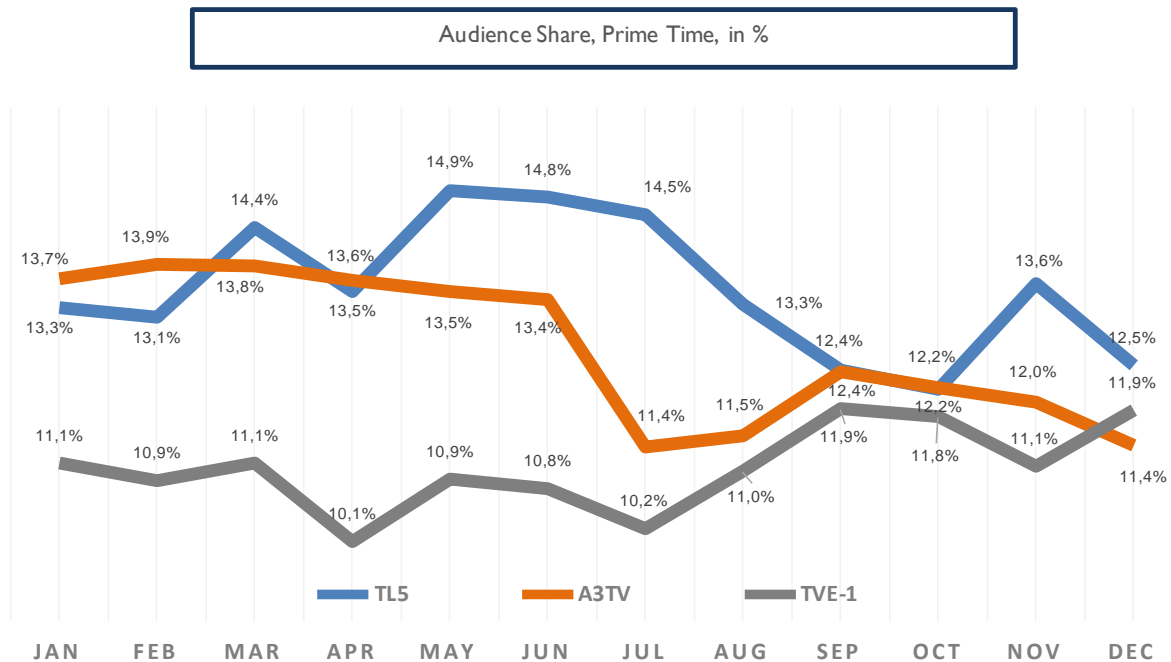
The **Telecinco** channel achieves a **commercial target*** in 2017 of **12.5%** in total day, this is **+0.4pp** ahead of its nearest competitor.

In day time the **most outstanding Telecinco programs in 2017** were: the morning magazine **“El Programa de Ana Rosa”** with a **18.4%** share, this is **2.4 pp** ahead of its competitor, **“Salvame”** and

“Pasapalabra” both also lead audiences in their programming slot with **16.3%** and **16.4%** audience share respectively.



In the **Prime Time** slot, the **Telecinco** channel obtains **13.5%** audience share, again surpassing its direct competitor by **+0.7pp**, leading audience for the last six years.



Telecinco channel 2017 **Commercial target*** in prime time is **12.5 %** which is an advantage of **+0.4pp** against its nearest competitor.

Telecinco is the **leading entertainment channel**. In **Prime Time**, The new season of **The Voice kids** is the most watched program in the year leading in its programming slot and in all targets, with a **22.9% audience share** (3.1 million viewers). **Survivors** is the **second most watched program** with a **26.3% audience**

share (2.9 million viewers). **Got Talent**, achieves a **20.9% audience share (2.8 million viewers)**, being the third most watch program in the year.

The **Telecinco** channel gets **three of the most watched series in the top 5** most watched series of the year.

“La que se avecina” becomes the most watched series in 2017, with a share of 19.9% and 2.9 million viewers holding the **best commercial target** with a **23.5% and 1.5 million viewers share**.

The series **premiered** in 2017 obtained good audience results: **“Perdoname Señor”**, with an average audience share of **19.1% (2.8 million viewers)** and **“El Accidente”** achieved **17.6% share (2.7 million viewers)**. These are the **4th** and **5th** most watched series, respectively, in 2017. **Se quien eres**, with a **15.2% and 2.4 million viewers** gets the sixth position in the ranking of the most watched series in the year.

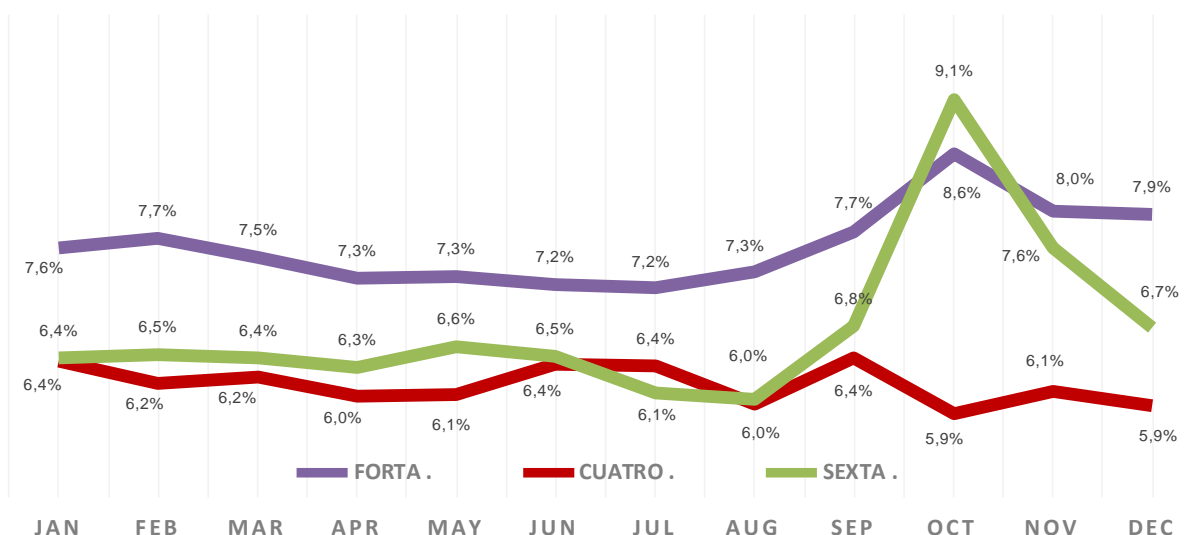
Table 9: 2017 average audience share for Cuatro

		2017	2016
Total Individuals	Total Day	6,2%	6,5%
	PRIME TIME	6,4%	6,2%
	DAY TIME	6,0%	6,7%
Commercial Target *	Total Day	7,2%	7,6%
	PRIME TIME	8,1%	7,8%
	DAY TIME	6,8%	7,5%

The **Cuatro** Channel obtained a **6.2%** audience share in **total individual's total day**. **Cuatro** has focused its **programming strategy on young people**, seeking complementarity within the group, with the result of an outstanding **7.4% audience record in the millennial group** (16-34 urban young group). It also achieves a **7.1% audience share** in the group **under 55's** and a **7.0% in the 13-24 years old group**. This represents an **advantage of 0.8 pp and 2.6pp** respectively to its nearest competitor.

Cuatro obtained a **7.2% commercial target audience** in 2017, an **excellent audience conversion rate of 1.2x**.

Audience Share, 24 Hours, Total Individuals in %

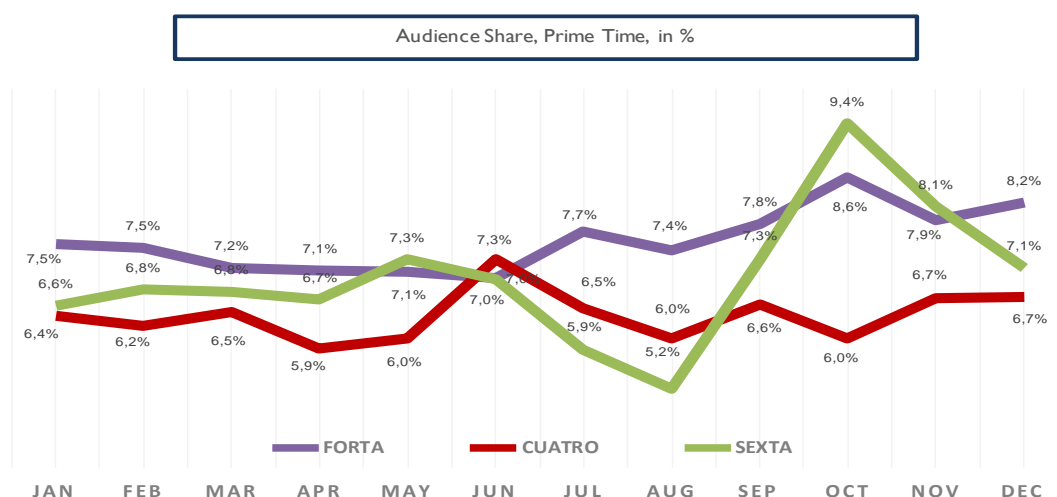


In **Prime Time 2017** the **Cuatro** channel reached **6.4% audience share** which is the **lowest difference** in with its direct competitor (**0.7pp**) in the last 5 years. **Cuatro** is the only main channel that increases its **audience this year (+0.2pp)** this compares to the **0.6 pp decline in audience share of its nearest competitor**.

In terms of **commercial target***, **Cuatro** registers in 2017, a share of **7.2%** the same as its direct competitor (7.2%).

Cuatro is the national channel that **had premiered more in house production** in the year, many of these are original formats created by **Cuatro**. This has enabled the channel to provide a wide range of products from **factuals**, dating shows, **realities** and **documentaries**. Some of these new programs were: **“Heroes mas allá del deber**, with a 9.3% audience share in youngsters 13-24 years old and **“A cara de perro”** 7.1% audience share.

At the same time **new seasons from previous formats** obtained good audience records: **“Volando Voy”**, the season obtained **8.8% audience share**, **“Come and dine with me”** in its last program achieved a **9.4%** in the group (25-34) **year olds**. **“First Dates”** with an audience share of **7.9%**, **“Gipsy Kings”** **11.5% audience share**, **“Chester in Love”** with an **audience share of 8%** and **“Planeta Calleja”** with **8.3% audience share**, among others.



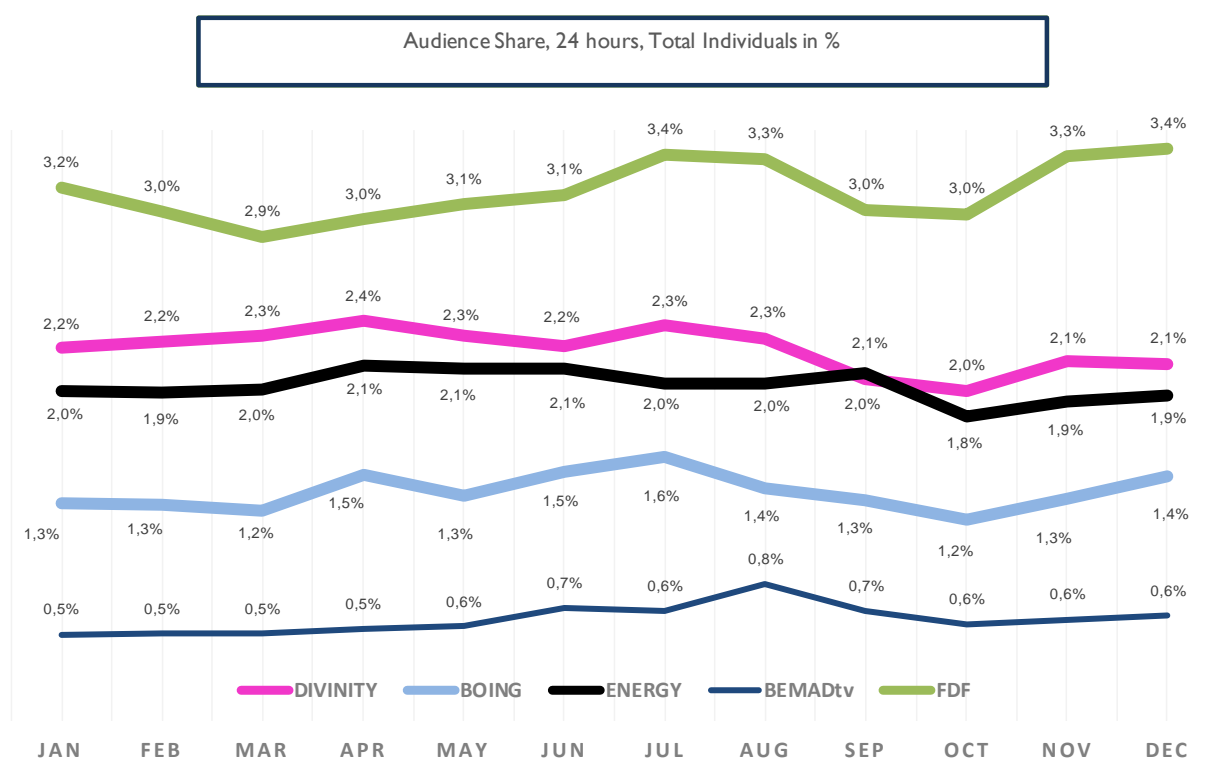
6.4 TARGETED CHANNELS

Table 9: FY2017 average audience share for the targeted channels

2017			
		Total Individuals	Commercial Target
DIVINITY			
Total Day		2,2%	2,8%
PRIME TIME		1,9%	2,2%
BOING			
Total Day		1,3%	1,0%
PRIME TIME		1,1%	0,8%
ENERGY			
Total Day		2,0%	2,2%
PRIME TIME		2,1%	2,2%
BEMADtv			
Total Day		0,6%	0,8%
PRIME TIME		0,5%	0,6%
FDF			
Total Day		3,1%	3,9%
PRIME TIME		2,8%	3,3%

The audience share of **Mediaset España's** targeted channels, in **2017**, was **9.3%** in **Total Day** and **10.7%** in **commercial target**, this is **+1.8pp** and **+1.5pp** ahead of its **nearest competitor** (7.5 % and 9.3% respectively).

The **FDF** channel reached a **3.1% audience share in Total Individuals**, while in its target of **13 to 24 year olds** it achieved an **8.9%** audience share and in **25 to 34 year olds 5.4%**. The **Divinity** channel had a **3.6%** audience share in its target of women **16 to 44 years old**, while in **Total Individuals** its share is **2.2%**. The **Energy** channel achieves a **2.0%** audience in **Total Individuals**, its best audience ever, and in its target, men **25 to 54 years old** achieves **1.9%**. **Boing**, the children's channel, has an audience share in **Total Individuals** of **1.3%** while in its target of **4 to 12 year olds** it has managed to multiply its record almost **nine-fold** reaching **12.2%** audience share. **Be Mad** registers an audience of **0.6%** whilst its **target of 16-44 year old men** achieves a **0.9%** share.



7. INTERNET

In 2017 the internet video consumption (PC only) reached **14.0 minutes per person/per day** for **total Individuals**, and represents **5.7%** of the **total daily average audiovisual consumption**. Since March 2017 video consumption metrics are available on **mobile devices**, and in 2017 including these devices, the **consumption reaches 27.2 minutes/ per user**. This increases the video consumption **weight to a 10.8%**. This consumption **reached 53.4 minutes** in the **25-34 year old group**.

In 2017 **Mediaset España** registered a **monthly average** of **11.5 million unique users/viewers** (multiplatform), **178 million pages viewed** and **76.9 million videos streamed, pc only** (all figures monthly averages).

	Total Unique users ('000)	Total Page Viewed ('000) ⁽¹⁾	Videos ('000) ⁽²⁾	Minutes (million) ⁽³⁾
December 2017	10.103	172.865	101.902	1.052
November 2017	11.742	197.408	101.222	1.303
October 2017	11.972	207.734	91.965	1.644
September 2017	10.581	161.988	82.559	1.221
August 2017	10.528	148.209	52.591	634
July 2017	11.103	171.837	66.011	987
June 2017	11.044	164.435	75.496	1.050
May 2017	11.836	188.082	87.377	1.217
April 2017	11.636	181.159	85.328	1.221
March 2017	12.702	211.142	83.007	1.644
February 2017	12.235	174.061	65.049	1.303
January 2017	12.006	158.803	30.358	1.050

Source: Comscore

(1) Multiplatform PC + Mobile (restated) (3) Minutes in Multiplatform

(2) Video PC Only. Due to a technical issue, videos in January and February are exceptionall lower.

In 2017 the **rising trend in video consumption** through **different devices** is confirmed, where mobile video represents **76% of this consumption** for **Mediaset España**.

Throughout 2017 **Mediaset España** has incorporated a new structure to its sites, which favours the user experience from the use of any devices. With the **new changes introduced** in 2017, the **information available** on **Mediaset España** sites, is the same **regardless of the device chosen to access the contents**, so the user experience is maximised. Also in 2017 **Mediaset España** has improved its web sites from a **technical point of view** by providing them with an **optimal loading time**. This improves **user experience**, increases **user engagement** and substantially **reduces user waiting time**. The **new web sites design**, **allows** for an **improvement of the advertising formats** without penalising the user.

Mediaset España has also confirmed its leadership in internet, where it remains the **media group** with the **largest number of video streamed in the period**. It also enjoys the **best video/unique viewer ratio**, with **51 videos per unique user** as well as a **very good loyalty rate** with an average of **214 minutes per unique viewer**, well ahead of the second best performing player. (Source: ComScore Video PC only)

Regarding the **internet sites**, **Telecinco.es** records an average of **7.7 million unique users** (multiplatform) in 2017, ahead of its nearest competitor, whilst **Cuatro**, on the other hand registers **3.6 million unique users** for the same period. (Source: ComScore multiplatform). In the **last quarter 2017** the site **yasss.es** was launched with digital contents for the **Z generation** (born after 1995) and the **pro Generation**.

As at **31st December 2017**, **Mediaset España's apps**, register a **total of 15.4 million** downloads, leading the ranking: **Mitele 7.3 million**, **GH 3.7 million**, **The Voice 1.9 million** and **Mediaset Sport 0.7 million** downloads.

At the end 2017 Mediaset España has nearly **180 active accounts** on the main social networks: **Facebook**, **Twitter** and **Instagram** and **40.3 million followers**.

In 2017 the company registered **36.5 million comments**, which represents **48.4% of the total television related comments** on social networks, this proves the importance of **Mediaset España's contents in the social networks**.

Mitele app is present in **Smart TVs** through commercial agreements with the main players in this market. At the end of **2017**, **Mitele** is present on **2.2 million** connected **Smart TVs** and currently has more than **32,300 hours** of content. **Mitele Teens** was **launched in 2017** to reinforce the digital kids contents offer, the platform includes **parental control** and has a wide offer of films, programs etc.. specifically for the children's audience.

8. MEDIA FOR EQUITY

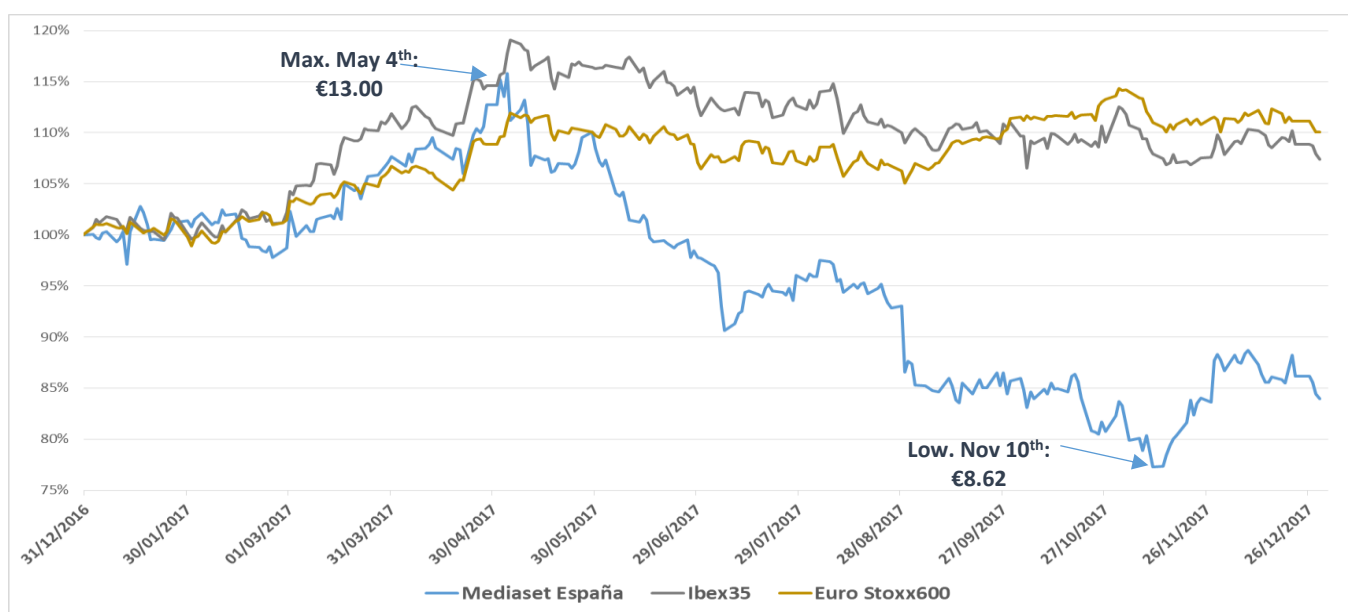
Mediaset España is working with a number of start-ups through **Media for Equity** agreements, carried out by **Ad4Ventures**, the venture capital arm of **Mediaset España**. **Ad4ventures** aim is to invest in the most promising companies, following a well-defined **financial and investment criteria**. At the end of **December 2017**, **Ad4Ventures** manages a portfolio of 10 companies, including: **Cornerjob**, **Deporvillage**, **WestWing**, **21 Buttons**, amongst others.

9. SHARE EVOLUTION AND ANALYSTS' RECOMMENDATIONS

During 2017 **Mediaset España** had a very uneven evolution. In the **first part of the year** it had a very positive trend reaching **+16%** at the beginning of **May**. The **trend is reversed** from then on motivated by the **downward revision of the estimates and recommendations** of several analysts of the **company** and the **European Free to Air sector in general**.

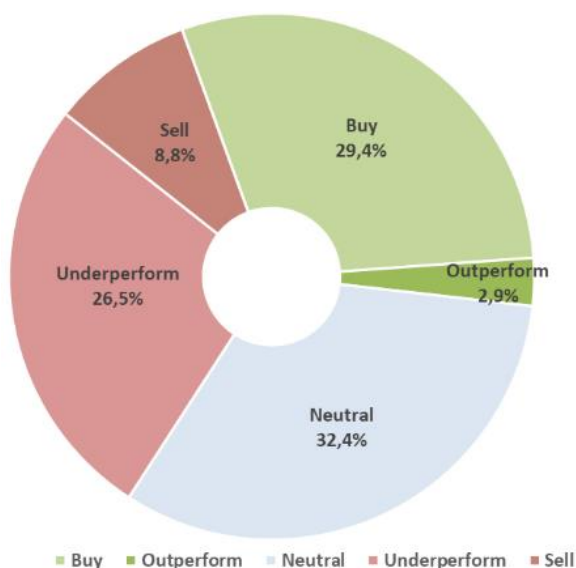
In **2017 Mediaset España** stock reaches its highest price on **May 4th €13.00** and its lowest price on **November 10th, €8.62**. The **average daily traded volume** in the period was **1.3 million shares** and the **daily turnover €14.2 million**. The **weighted average price** for the period is **€10.89**.

As at 31st December 2017, **Mediaset España** has a share price of **€9.36**.



As at **31st December 2017** **34 analysts** cover **Mediaset España stock**, out of which **64.7%** have neutral or positive recommendations towards the company. The analyst's **12 months target price** for the company is **€10.17**.

The analyst's recommendations, as at **31st December 2017** were as follows:



Fuente: Analyst' Consensus.

Mediaset España issued share capital consists of **336,717,490 shares**, and as at **31st December 2017** the company holds treasury shares of **9,282,275 shares**, representative of **2.76%** of the share capital of the company

Mediaset España's market capitalization as at **31st December 2017** is, **€3,151.3 million**.

10. RELEVANT FACTS 2017

In **2017**, the following relevant facts were published in the CNMV:

Date	Relevant Fact
22/12/2017	Acuerdos Relacionados con la composición del Consejo de Administración.
16/10/2017	Interim Financial Information 9M2017.
28/08/2017	End of the shares Buy-Back plan.
28/08/2017	Shares Buy-Back August 21, 2017
21/08/2017	Shares Buy-Back August 14-18, 2017
14/08/2017	Shares Buy-Back August 7-11, 2017
07/08/2017	Shares Buy-Back July 31-August 4, 2017
31/07/2017	Shares Buy-Back July 24-28, 2017.
26/07/2017	Interim Financial Information 1H2017.
24/07/2017	Shares Buy-Back July 17-21, 2017.
17/07/2017	Shares Buy-Back July 10-14, 2017.
10/07/2017	Shares Buy-Back July 3-7, 2017.
03/07/2017	Shares Buy-Back June 26-30, 2017.

26/06/2017	Shares Buy-Back June 19-23, 2017.
19/06/2017	Shares Buy-Back June 12-16, 2017.
12/06/2017	Shares Buy-Back June 5-9, 2017.
05/06/2017	Shares Buy-Back May 29 June 2, 2017.
29/05/2017	Shares Buy-Back May 22-26, 2017.
22/05/2017	Shares Buy-Back May 17-19, 2017.
05/05/2017	Ordinary and Extraordinary Dividend Payment.
27/04/2017	Interim Financial Information IQ2017.
24/04/2017	Notice and Agenda of AGM.
24/03/2017	Call for AGM and proposed resolutions.
24/02/2017	Annual Corporate Governance Report.
24/02/2017	Board of Director's Annual Remuneration Statement.
23/02/2017	Financial Information FY2016.
23/02/2017	Dividend, BuyBack program and call for the AGM.

More information available from our investor web site:
<http://www.mediaset.es/inversores/en/press-release.html>

II. CONTACT US

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